

being an advocate of the Russian system, either in practice or by implication.

Hon. David A. Croll: Honourable senators, I had intended to speak to the bill when it came up for third reading, but in view of the statements made by the very distinguished senator from Churchill (Hon. Mr. Crerar) I think it would be interesting to the house to know that there are points of view other than his on the same subject.

I was not here on Monday to speak on this matter, because I got my signals mixed a bit, but I read the debate and thought it contained a considerable amount of painstaking questioning, very well answered.

To my mind the bill is a good one, for it helps the man who needs help, and helps him now. It has two purposes: first, to provide housing; second, to give employment.

The provision of homes for the Canadian people is, and will long continue to be, vitally important. The need for homes will be continuous, especially because of the increase in our population, and particularly as regards low-cost and low-rental housing. So far as the employment feature is concerned, if there is anyone in this house or in the other who is not concerned with the condition of unemployment in this country, he is out of touch with realities. It is a serious matter, and anything we can do to alleviate it we ought to do. In this connection house construction has been a great help.

I am not going to discuss the shortcomings of the bill, because that matter will be dealt with in due course in committee. But it is interesting to note that at present Central Mortgage and Housing Corporation is financing four out of five houses; and it is trying to meet the need for long-term money on a large scale. It is not meeting very well the need for cheap money, but that also will be a matter before the committee.

I think the house should take note of the fact that the Government, through Central Mortgage and Housing Corporation, is becoming the main source of funds for home construction. Government lending in this field is becoming more and more the normal thing; as a matter of fact it is becoming a way of life. I recognize that in the past mortgage funds were regarded as an exclusive field for private enterprise, but the Government has now entered the private enterprise field. Two reasons occur to me. The first, of course, is that of national security. Everybody agrees that such matters as atomic planning and equipment, Arsenals, and Polymer Corporation are proper and appropriate governmental undertakings. The second reason for Government action in spheres such as this is to meet a social need where there is a vacuum.

In our welfare state vacuums are not permitted, and if the field has been abandoned by private enterprise the Government must, as in the past, enter and fill it.

Historically, as I have said, the provision of conventional house loans belongs to the lending institutions. But it is interesting to note—to give honourable senators two brief examples—that 40 years ago there was a great demand in this country for personal security, which had not been met, with the result that the then Government brought in the Annuities Act. In doing so the Government entered a sphere in which no one else wished to participate. The work of the Annuities Branch became bigger and better, and met with increasing appreciation. Some of us here remember that 10 years later, I believe in 1929, the farmers of this country were unable to obtain loans for their land, livestock, equipment and improvements; so the Farm Loan Board came into existence. Since that time Government intervention has occurred in dozens of various forms to serve social purposes. As a matter of fact I could very well say to the house, "You name it, and we have it, or we think we almost have it."

It was, as I recall, in 1951 that the Government decided to make direct loans through the Central Mortgage and Housing Corporation. It began its work under rather extraordinary circumstances. Workers on defence projects were accumulating in industrial areas. It was hard to hold them. They needed homes; they needed them quickly; and mortgage companies would not lend money for building in these new districts. So the Government made direct loans to defence workers. After that beginning, it continued to fill this vacuum, and, now, of course, we are in the direct loaning field with both feet. It is a field which no Government in the future can vacate. Neither this nor any other Parliament would permit it, now or at any time hereafter. It would be politically unhealthy. Nowhere in recorded history can I find an example of a Government, after initiating a social measure, abandoning it. I am not too greatly worried about the lending institutions. They have only themselves to blame. Whatever suffering they incur as a result will be from self-inflicted wounds.

The study which is to be made by the Finance Committee will be a very interesting one. We shall have occasion to use the information so obtained; for, whether at this session or the next, the Government will be back for more money, and we shall grant it. It is inevitable that Central Mortgage and Housing Corporation will issue its own securities—perhaps in the not too distant future—